APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/080,902	02/22/2002	Errington Winfield Hibbert	101612-5032 US	9364

9629   7590   07/06/2010
MORGAN LEWIS & BOCKIUS LLP
1111 PENNSYLVANIA AVENUE NW
WASHINGTON, DC 20004

EXAMINER
SWARTZ, JAMIE H

ART UNIT	PAPER NUMBER
3684	

MAIL DATE	DELIVERY MODE
07/06/2010	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

-- *The MAILING DATE of this communication appears on the cover sheet with the correspondence address* --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) OR THIRTY (30) DAYS,
WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed
  after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
  Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any
  earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>08 April 2010</u>.

2a)☒ This action is **FINAL**.   2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is
closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) <u>36-83</u> is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) <u>36-83</u> is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage
application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5)☐ Notice of Informal Patent Application

6)☐ Other: _____.

DETAILED ACTION

Status

1.   This action is in response to the amendment filed April 8, 2010. Claims 36-83 are

pending. Claims 1-35 are cancelled. No claims have been added. Claims 36, 51, 66 and

81-83 have been amended.

Response to Arguments

2.   Applicant's arguments filed April 8, 2010 have been fully considered but they are

not persuasive. Applicant has argued on page 13 of applicant's arguments that because

the applicant has amended the claims to include "wherein the loan tracking module and

sample selection module are executed via a processor" makes that claims patentable.

The applicant has added a processor to the claims but the amendment fails to make the

claims patentable. Because the claimed steps of the invention are not positively recited

on the machine the steps of the claims are merely intended use and as such are still

considered software per se. The examiner suggests language such as a processor

configured to perform the following steps: storing in a loan tracking module... detecting

samples in a sample selection module... and so on, not saying that the machine is

capable of doing steps but actively performing all the steps as claimed.

3.   Applicant has argued that the cited art does not teach "a second tool to select an

amount of the plurality of loans from each of the plurality of risk results up to a

designated maximum target loan sample size" and "selecting... an amount of loans from each of the plurality of risk results up to the designated maximum target loan sample size." The examiner respectfully disagrees. As can be seen in Libman col. 5, lines 35-67, the information for a loan is obtained and collected into a set. At some point in the process a "set" is obtained and the collection process ends. At the point where the selection process ends there is a target loan sample size that exists within the set. It can also be seen in Fig. 3 and 4a that an amount of loans are put into multiple pools based on risk/ delinquency factors. The applicant has argued on pg. 14-15 of applicant's arguments that Libman teaches away from a designated target sample size. The examiner respectfully disagrees. Though Libman does teach a large amount of samples, Libman does create a set. The applicant has not claimed a minimum amount of loan samples for their set nor have they specifically stated that their invention does not include a large number of samples. The applicant has merely stated that a sample size is created. Libman teaches this limitation. The applicant has amended the claims to include the limitation of a "maximum" target loan sample size. However, the applicant's arguments are confusing. The applicant is selecting up to the maximum target loan sample size which the concept of maximum is getting more/ or getting the most. Therefore the arguments made by the applicant in regards to Libman on page 17 are confusing. "Rather, in Libman, sampling up to a designated maximum target loan sample size is not used because a large information set is desirable." Is the applicant claiming that the sample size is small or is the applicant claiming a large sample size? The terminology of maximum is a large sample size. Thus the argument that Libman

teaches away from the claimed invention is incorrect because Libman is teaching a

maximum target loan sample size.

4.   Applicant's arguments with respect to claims 36, 51, 66, 81-83 have been

considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 101

5.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

        Claims 36-50, and 81 are rejected under 35 U.S.C. 101 because the claimed

invention is directed to non-statutory subject matter.

        Claims 36-50, and 81 are rejected under 35 U.S.C. 101 because in claims 36

and 81 the applicant is claiming a system solely comprising various modules and tools,

which are interpreted as software *per se*. Software *per se* is non-statutory subject

matter.

        Appropriate correction is required.

Claim Rejections - 35 USC § 112

6.   The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

7.   Claims 36-83 are rejected under 35 U.S.C. 112, first paragraph, as failing to

comply with the written description requirement. The claim(s) contains subject matter

which was not described in the specification in such a way as to reasonably convey to

one skilled in the relevant art that the inventor(s), at the time the application was filed,

had possession of the claimed invention. The applicant has amended the claims to

include a "designated maximum target loan sample size." There is no support in the

original disclosure for said "maximum" target loan sample size. Appropriate action is

required.

Claim Rejections - 35 USC § 103

8.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

9.   Claims 36, 37 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

10.   Regarding claim 36, Acosta teaches a loan pool module to store loan-level data

associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1,

line 63 – col. 3, line 16). Acosta teaches a loan pool module to store loan-level data

associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1,

line 63 – col. 3, line 16). Acosta teaches a sample selection module to detect samples

of different criteria in the loan pool, the sample selection module including a loan

aggregation tool to aggregate the loans into a plurality of specific criteria results based

on the loan-level data, and a sampling tool to select an amount of the loans from the

plurality of results of a specific criteria up to a designated target loan sample size (col. 3,

line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta does not

specifically teach wherein the sampling specifically involves high risk loans. However,

Business Wire teaches wherein the selection tool detects high risk loans including

different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria

while Business Wire teaches loan sampling specifically by the risk status of the loan. It

would have been obvious to one of ordinary skill in the art at the time of the invention to

modify Acosta to include the details of analyzing based on risk. Analyzing loans based

on risk provides the ability to measure, and thereby improve, loan quality, while

significantly reducing the operational costs of compliance. Improved loan quality attracts

more and better borrowers, while insuring a portfolio premium with investors and

agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically

teach aggregating a plurality of loans in a loan pool into a plurality of risk results or

selecting an amount of a plurality of loans from each of a plurality of risk results to make

a sample size. However, Libman teaches aggregating a plurality of loans in the loan

pool into a plurality of risk results based on the loan-level data (¶ 37-46, 57). Libman

also teaches selecting an amount of the plurality of loans from each of the plurality of

risk results up to a designated target loan sample size (¶ 37-46, 57). Acosta teaches

servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating

loans, and more particularly, to a system and method for providing a mortgage loan

pricing model for various lending scenarios. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of analyzing based on risk. Analyzing loans based on risk provides the ability to

measure, and thereby improve, loan quality, while significantly reducing the operational

costs of compliance. Improved loan quality attracts more and better borrowers, while

insuring a portfolio premium with investors and agencies. Risk is also a well known

characteristic of a loan. It would have been obvious to one of ordinary skill in the art at

the time of the invention to modify Acosta to include the details of aggregating loans into

a loan pool based on risk. Effective management of the loan pool's risk requires

understanding and control of the risk profile and its culture. There must have a thorough

knowledge of the pool's composition and its inherent risks. It is important to understand

a pools mix, industry and geographic concentrations, average risk ratings, and other

aggregate characteristics. The policies, processes, and practices implemented to

control the risks of individual loans and portfolio segments must be sound. It would have

been obvious to one of ordinary skill in the art at the time of the invention to modify

Acosta to include selecting an amount of loans from the risk results to a designated loan

sample size. A target loan sample size allows the investor to control the number of

loans in the pool but also allows for a control of the risk. The greater the number of high

risk investments involved in the pool the more risk the investor will have. Though the

combination of Acosta and Libman teaches the concept of a maximum target loan size

the art does not specifically state maximum target loan size. However, the Federal

Reserve teaches the concept of a "maximum target loan size" (pg. 1-9). Acosta and

Libman teach the evaluation and servicing of loans. Federal Reserve teaches the

servicing of loans and loan originators. It would have been obvious to one of ordinary

skill in the art at the time of the invention to modify Acosta and Libman to include the

details of maximizing the number of loans in a loan pool. Maximizing loans in a loan

pool allows for a broader type of loans carried throughout the pool to minimize risk as

well as diversify the pool.

11.   Regarding claim 37, Acosta teaches a current loan sample size and a target loan

sample size (col. 9, line 11-25).

12.   Claims 38, 39 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

13.   Regarding claim 38, Acosta teaches loan sampling, while Business Wire teaches

the loan sampling of high risk loans. The combination of Acosta and Business Wire

does not specifically teach the act of underwriting the loan. However, Tealdi teaches an

automated underwriting tool to aggregate the loans based on one or more underwriting

categories (¶ 125-138). The combination of Acosta and Business Wire teach a risk loan

sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan was old and well known at the time of the invention.

14.   Regarding claim 39, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan a into the categories of reject, prime and sub-prime. However, Tealdi teaches wherein the underwriting categories include reject, prime, and sub-prime categories (¶ 125-138). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan including reject, prime, and sub-prime was well known in the art at the time of the invention.

15.   Claims 40, 41, are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

16.   Regarding claim 40, Acosta teaches wherein the loan aggregation tool includes

an adverse selection query tool to aggregate the loans based on one or more loan

parameters associated with a profile of the loan pool (col. 3, line 35-60). Acosta does

not specifically teach wherein the sampling specifically involves loan risk. However,

Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches

loan sampling based on various criteria while Business Wire teaches loan sampling

specifically by the risk status of the loan. It would have been obvious to one of ordinary

skill in the art at the time of the invention to modify Acosta to include the details of

analyzing based on risk. Analyzing loans based on risk provides the ability to measure,

and thereby improve, loan quality, while significantly reducing the operational costs of

compliance. Improved loan quality attracts more and better borrowers, while insuring a

portfolio premium with investors and agencies. Risk is also a well known characteristic

of a loan.

17.   Regarding claim 41, Acosta teaches wherein the loan parameters include one or

more numeric field values associated with the loans (col. 1, line 63 – col. 3, line 16).

Acosta does not specifically teach wherein the sampling specifically involves loan risk.

However, Business Wire teaches loan sampling in association with risk (pg. 1-2).

Acosta teaches loan sampling based on various criteria while Business Wire teaches

loan sampling specifically by the risk status of the loan. It would have been obvious to

one of ordinary skill in the art at the time of the invention to modify Acosta to include the

details of analyzing based on risk. Analyzing loans based on risk provides the ability to

measure, and thereby improve, loan quality, while significantly reducing the operational

costs of compliance. Improved loan quality attracts more and better borrowers, while

insuring a portfolio premium with investors and agencies. Risk is also a well known

characteristic of a loan.

18.   Claim 42 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

19.   Regarding claim 42, Acosta teaches loan sampling, while Business Wire teaches

the loan sampling of high risk loans. The combination of Acosta and Business Wire

does not specifically teach all the specific numeric fields as claimed. However, Tealdi

teaches wherein the numeric field values include current balance, loan-to-value,

combined loan-to-value, debt-to-income ratio, and delinquent (¶ 116, 128, 146, 169).

The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi

teaches an automatic system for handling loans. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of the specific numeric field values. As in Tealdi it is within the capabilities of one of
ordinary skill in the art to add steps involved in loan processing to an invention which
includes loan sampling. The various values were well known in the art to be associated
with loans. Acosta does not specifically teach analyzing by the number of days
delinquent. However, Libman teaches including the number of days delinquent (see at
least ¶ 44-49). Acosta teaches servicing of loan portfolios and loan servicing portfolios.
Libman teaches evaluating loans, and more particularly, to a system and method for
providing a mortgage loan pricing model for various lending scenarios. It would have
been obvious to one of ordinary skill in the art at the time of the invention to modify
Acosta to include the details of associating days delinquent on paying a loan with risk.
There is often a direct correlation between late payments and the risk associated with a
specific loan. A loan defaults when the person who has the loan is unable to pay the
loan. Thus if someone is delinquent in payment depending on the number of days late
there is a greater chance as the payment is later and later of there eventually being a
default on the account.

20.   Claims 43-45 are rejected under 35 U.S.C. 103(a) as being unpatentable over
Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of
Libman (US 2007/0043654) in further view of Federal Reserve (2001).

21.   Regarding claim 43, Acosta teaches wherein loan parameters include one or
more text field values associated with loans (col. 3, line 35 – col. 5, line 58).

22.   Regarding claim 44, Acosta teaches wherein the text field values include
property type, documentation type, origination channel, and product type (col. 3, lines
35-60).

23.   Regarding claim 45, Acosta teaches sampling for a loan. Acosta does not
specifically teach wherein the sampling specifically involves loan risk. Acosta does
teach reporting loans, but does not teach the specific criteria of a high risk loan.
However, Business Wire teaches wherein the loan aggregation tool includes a high risk
reporting tool to aggregate the loans based on one or more high risk report categories
(pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire
teaches loan sampling specifically by the risk status of the loan. It would have been
obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to
include the details of analyzing based on risk. Analyzing loans based on risk provides
the ability to measure, and thereby improve, loan quality, while significantly reducing the
operational costs of compliance. Improved loan quality attracts more and better
borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a
well known characteristic of a loan.

24.   Claim 46 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta
et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Avery (1996) in view of Jewell (1999) in further view of Cole (2002/0133371).

25.   Regarding claim 46, the combination of Acosta and Business Wire teaches loan

sampling involving risk. Acosta and Business Wire do not specifically teach all the

specific high risk report categories. However, Avery teaches wherein the high risk report

categories include high risk locations, portfolio concentrations, borrower concentrations,

and zip code concentrations. Acosta teaches loan sampling based on various criteria

while Business Wire teaches loan sampling specifically by the risk status of the loan. It

would have been obvious to one of ordinary skill in the art at the time of the invention to

modify Acosta to include the details of analyzing based on risk report categories.

Analyzing loans based on risk provides the ability to measure, and thereby improve,

loan quality, while significantly reducing the operational costs of compliance. Improved

loan quality attracts more and better borrowers, while insuring a portfolio premium with

investors and agencies. Risk is also a well known characteristic of a loan. The more

categories analyzed the more information received on the loan and the better

assessment that is made. Acosta does not specifically teach a high risk category being

fraud results. However, Jewell teaches wherein fraud results are a high risk category. It

would have been obvious at the time of the invention to modify Acosta with high risk

categories including fraud results. When an individual commits fraud the individual has

the intention of cheating a company or person out of money. As a business it is not wise

to fall for any fraudulent attempts as it is a loss of profits. The more information received

about a possible fraud attempt the better. Thus it is important to check fraud results

when doing any type of high risk report in relation to any type of financial banking,

including loans. This is further evidenced by Cole with teaches a method of detecting

fraud in relation to mortgage or loan applications.

26.   Claim 47 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

27.   Regarding claim 47, Acosta teaches loan sampling, while Business Wire teaches

the loan sampling of high risk loans. The combination of Acosta and Business Wire

does not specifically teach all the specific numeric fields as claimed. However, Tealdi

teaches wherein the risk results include automated underwriting results, adverse

selection query results, and high risk profile results (¶ 64, 187-188, abstract). The

combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi

teaches an automatic system for handling loans. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of the specific risk results. As in Tealdi it is within the capabilities of one of ordinary skill

in the art to add steps involved in loan processing to an invention which includes loan

sampling. The various risk results were well known in the art at the time of the invention

to be associated with loans.

28.   Claims 48-50 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

29.   Regarding claim 48, Acosta teaches wherein the sampling tool includes a loan

selection tool to select an amount of loans from each result to fill the target loan sample

size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9 line 11 - 25). Acosta

does not specifically teach wherein the sampling specifically involves high risk loans.

However, Business Wire teaches wherein the selection tool detects high risk loans

including different risk results (pg. 1-2). Acosta teaches loan sampling based on various

criteria while Business Wire teaches loan sampling specifically by the risk status of the

loan. It would have been obvious to one of ordinary skill in the art at the time of the

invention to modify Acosta to include the details of analyzing based on risk. Analyzing

loans based on risk provides the ability to measure, and thereby improve, loan quality,

while significantly reducing the operational costs of compliance. Improved loan quality

attracts more and better borrowers, while insuring a portfolio premium with investors

and agencies. Risk is also a well known characteristic of a loan.

30.   Regarding claim 49-50, Acosta teaches loan sampling based on criteria. Acosta

does not specifically teach random sampling. However, Business Wire teaches wherein

the loan selection tool randomly selects the loans to fill the target loan sample size (pg.

1-2). Acosta teaches loan sampling based on various criteria while Business Wire

teaches loan sampling specifically by the risk status of the loan. It would have been

obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to

include the details of random sampling. Random sampling's benefits lie in simple

probability given a large enough sample, a random selection should produce a

representative cross-section of the thing being sampled. It is important for the purposes

of analyzing the most data representative data possible.

31.   Claims 51, 52 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

32.   Regarding claim 51, Acosta teaches designating a target loan sample size (col.

3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a

loan pool into a plurality of results based on loan-level data associated with each of one

or more loans in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col.

9, lines 11-25). Acosta teaches selecting an amount of loans from the plurality of results

up to the designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col.

3, line 16, col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach

wherein the sampling specifically involves high risk loans. However, Business Wire

teaches wherein the selection tool detects high risk loans including different risk results

(pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire

teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically teach aggregating a plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating loans in a loan pool into a plurality of risk results based on the loan-level data associated with each of one or more loans in the loan pool (¶ 37-46, 57). Libman also teaches selecting an amount of the plurality of loans from each of the plurality of risk results up to a designated target loan sample size (¶ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in

the art at the time of the invention to modify Acosta to include the details of aggregating

loans into a loan pool based on risk. Effective management of the loan pool's risk

requires understanding and control of the risk profile and its culture. There must have a

thorough knowledge of the pool's composition and its inherent risks. It is important to

understand a pools mix, industry and geographic concentrations, average risk ratings,

and other aggregate characteristics. The policies, processes, and practices

implemented to control the risks of individual loans and portfolio segments must be

sound. It would have been obvious to one of ordinary skill in the art at the time of the

invention to modify Acosta to include selecting an amount of loans from the risk results

to a designated loan sample size. A target loan sample size allows the investor to

control the number of loans in the pool but also allows for a control of the risk. The

greater the number of high risk investments involved in the pool the more risk the

investor will have. Though the combination of Acosta and Libman teaches the concept

of a maximum target loan size the art does not specifically state maximum target loan

size. However, the Federal Reserve teaches the concept of a "maximum target loan

size" (pg. 1-9). Acosta and Libman teach the evaluation and servicing of loans. Federal

Reserve teaches the servicing of loans and loan originators. It would have been obvious

to one of ordinary skill in the art at the time of the invention to modify Acosta and

Libman to include the details of maximizing the number of loans in a loan pool.

Maximizing loans in a loan pool allows for a broader type of loans carried throughout the

pool to minimize risk as well as diversify the pool.

33.   Regarding claim 52, Acosta teaches a current loan sample size and a target loan
sample size (col. 9, line 11-25).

34.   Claims 53, 54, are rejected under 35 U.S.C. 103(a) as being unpatentable over
Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of
Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of
Tealdi (US 20010029482 A1).

35.   Regarding claim 53, Acosta teaches loan sampling, while Business Wire teaches
the loan sampling of high risk loans. The combination of Acosta and Business Wire
does not specifically teach the act of underwriting the loan. However, Tealdi teaches an
automated underwriting tool to aggregate the loans based on one or more underwriting
categories (¶ 125-138). The combination of Acosta and Business Wire teach a risk loan
sampling tool. Tealdi teaches an automatic system for handling loans. It would have
been obvious to one of ordinary skill in the art at the time of the invention to modify
Acosta to include the details of underwriting a loan into different categories into the
system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the
art to add steps involved in loan processing to an invention which includes loan
sampling. The technique of underwriting a loan was old and well known at the time of
the invention.

36.   Regarding claim 54, Acosta teaches loan sampling, while Business Wire teaches the loan sampling of high risk loans. The combination of Acosta and Business Wire does not specifically teach the act of underwriting the loan a into the categories of reject, prime and sub-prime. However, Tealdi teaches wherein the underwriting categories include reject, prime, and sub-prime categories (¶ 125-138). The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi teaches an automatic system for handling loans. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of underwriting a loan into different categories into the system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the art to add steps involved in loan processing to an invention which includes loan sampling. The technique of underwriting a loan including reject, prime, and sub-prime was well known in the art at the time of the invention.

37.   Claims 55, 56 are rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654) in further view of Federal Reserve (2001).

38.   Regarding claim 55, Acosta teaches wherein the loan aggregation tool includes an adverse selection query tool to aggregate the loans based on one or more loan parameters associated with a profile of the loan pool (col. 3, line 35-60). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However,

Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

39.   Regarding claim 56, Acosta teaches wherein the loan parameters include one or more numeric field values associated with the loans (col. 1, line 63 – col. 3, line 16). Acosta does not specifically teach wherein the sampling specifically involves loan risk. However, Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

40.   Claim 57 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

41.   Regarding claim 57, Acosta teaches loan sampling, while Business Wire teaches

the loan sampling of high risk loans. The combination of Acosta and Business Wire

does not specifically teach all the specific numeric fields as claimed. However, Tealdi

teaches wherein the numeric field values include current balance, loan-to-value,

combined loan-to-value, debt-to-income ratio, and delinquent (¶ 116, 128, 146, 169).

The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi

teaches an automatic system for handling loans. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of the specific numeric field values. As in Tealdi it is within the capabilities of one of

ordinary skill in the art to add steps involved in loan processing to an invention which

includes loan sampling. The various values were well known in the art to be associated

with loans. Acosta does not specifically teach analyzing by the number of days

delinquent. However, Libman teaches including the number of days delinquent (see at

least ¶ 44-49). Acosta teaches servicing of loan portfolios and loan servicing portfolios.

Libman teaches evaluating loans, and more particularly, to a system and method for

providing a mortgage loan pricing model for various lending scenarios. It would have

been obvious to one of ordinary skill in the art at the time of the invention to modify

Acosta to include the details of associating days delinquent on paying a loan with risk.

There is often a direct correlation between late payments and the risk associated with a

specific loan. A loan defaults when the person who has the loan is unable to pay the

loan. Thus if someone is delinquent in payment depending on the number of days late

there is a greater chance as the payment is later and later of there eventually being a

default on the account.

42.   Claims 58-60 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

43.   Regarding claim 58, Acosta teaches wherein loan parameters include one or

more text field values associated with loans (col. 3, line 35 – col. 5, line 58).

44.   Regarding claim 59, Acosta teaches wherein the text field values include

property type, documentation type, origination channel, and product type (col. 3, lines

35-60).

45.   Regarding claim 60, Acosta teaches sampling for a loan. Acosta does not

specifically teach wherein the sampling specifically involves loan risk. Acosta does

teach reporting loans, but does not teach the specific criteria of a high risk loan.

However, Business Wire teaches wherein the loan aggregation tool includes a high risk reporting tool to aggregate the loans based on one or more high risk report categories (pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan.

46.   Claim 61 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of Avery (1996) in view of Jewell (1999) in further view of Cole (2002/0133371).

47.   Regarding claim 61, the combination of Acosta and Business Wire teaches loan sampling involving risk. Acosta and Business Wire don't specifically teach all the specific high risk report categories. However, Avery teaches wherein the high risk report categories include high risk locations, portfolio concentrations, borrower concentrations, and zip code concentrations. Acosta teaches loan sampling based on various criteria while Business Wire teaches loan sampling specifically by the risk status of the loan. It

would have been obvious to one of ordinary skill in the art at the time of the invention to

modify Acosta to include the details of analyzing based on risk report categories.

Analyzing loans based on risk provides the ability to measure, and thereby improve,

loan quality, while significantly reducing the operational costs of compliance. Improved

loan quality attracts more and better borrowers, while insuring a portfolio premium with

investors and agencies. Risk is also a well known characteristic of a loan. The more

categories analyzed the more information received on the loan and the better

assessment that is made. Acosta does not specifically teach a high risk category being

fraud results. However, Jewell teaches wherein fraud results are a high risk category. It

would have been obvious at the time of the invention to modify Acosta with high risk

categories including fraud results. When an individual commits fraud the individual has

the intention of cheating a company or person out of money. As a business it is not wise

to fall for any fraudulent attempts as it is a loss of profits. The more information received

about a possible fraud attempt the better. Thus it is important to check fraud results

when doing any type of high risk report in relation to any type of financial banking,

including loans. This is further evidenced by Cole with teaches a method of detecting

fraud in relation to mortgage or loan applications.

48.   Claim 62 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

49.   Regarding claim 62, Acosta teaches loan sampling, while Business Wire teaches
the loan sampling of high risk loans. The combination of Acosta and Business Wire
does not specifically teach all the specific numeric fields as claimed. However, Tealdi
teaches wherein the risk results include automated underwriting results, adverse
selection query results, and high risk profile results (¶ 64, 187-188, abstract). The
combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi
teaches an automatic system for handling loans. It would have been obvious to one of
ordinary skill in the art at the time of the invention to modify Acosta to include the details
of the specific risk results. As in Tealdi it is within the capabilities of one of ordinary skill
in the art to add steps involved in loan processing to an invention which includes loan
sampling. The various risk results were well known in the art at the time of the invention
to be associated with loans.

50.   Claims 63-65 are rejected under 35 U.S.C. 103(a) as being unpatentable over
Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of
Libman (US 2007/0043654) in further view of Federal Reserve (2001).

51.   Regarding claim 63, Acosta teaches wherein the sampling tool includes a loan
selection tool to select an amount of loans from each result to fill the target loan sample
size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9 line 11 - 25). Acosta
does not specifically teach wherein the sampling specifically involves high risk loans.

However, Business Wire teaches wherein the selection tool detects high risk loans
including different risk results (pg. 1-2). Acosta teaches loan sampling based on various
criteria while Business Wire teaches loan sampling specifically by the risk status of the
loan. It would have been obvious to one of ordinary skill in the art at the time of the
invention to modify Acosta to include the details of analyzing based on risk. Analyzing
loans based on risk provides the ability to measure, and thereby improve, loan quality,
while significantly reducing the operational costs of compliance. Improved loan quality
attracts more and better borrowers, while insuring a portfolio premium with investors
and agencies. Risk is also a well known characteristic of a loan.

52.   Regarding claim 64-65, Acosta teaches loan sampling based on criteria. Acosta
does not specifically teach random sampling. However, Business Wire teaches wherein
the loan selection tool randomly selects the loans to fill the target loan sample size (pg.
1-2). Acosta teaches loan sampling based on various criteria while Business Wire
teaches loan sampling specifically by the risk status of the loan. It would have been
obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to
include the details of random sampling. Random sampling's benefits lie in simple
probability given a large enough sample, a random selection should produce a
representative cross-section of the thing being sampled. It is important for the purposes
of analyzing the most data representative data possible.

53.　　Claims 66-67 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

54.　　Regarding claim 66, Acosta teaches a computer with a storage medium with

instructions. Acosta teaches designating a target loan sample size (col. 3, line 35-60

and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a loan pool into

a plurality of results based on loan-level data associated with each of one or more loans

in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25).

Acosta teaches selecting an amount of loans from the plurality of results up to the

designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16,

col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach wherein the

sampling specifically involves high risk loans. However, Business Wire teaches wherein

the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta

teaches loan sampling based on various criteria while Business Wire teaches loan

sampling specifically by the risk status of the loan. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of analyzing based on risk. Analyzing loans based on risk provides the ability to

measure, and thereby improve, loan quality, while significantly reducing the operational

costs of compliance. Improved loan quality attracts more and better borrowers, while

insuring a portfolio premium with investors and agencies. Risk is also a well known

characteristic of a loan. Acosta does not specifically teach aggregating a plurality of

loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of loans from each of a plurality of risk results to make a sample size. However, Libman teaches aggregating loans in a loan pool into a plurality of risk results based on loan-level data associated with each of one or more loans in the loan pool (¶ 37-46, 57). Libman also teaches selecting an amount of loans from each of the plurality of risk results up to a designated target loan sample size (¶ 37-46, 57). Acosta teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating loans, and more particularly, to a system and method for providing a mortgage loan pricing model for various lending scenarios. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of analyzing based on risk. Analyzing loans based on risk provides the ability to measure, and thereby improve, loan quality, while significantly reducing the operational costs of compliance. Improved loan quality attracts more and better borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a well known characteristic of a loan. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to include the details of aggregating loans into a loan pool based on risk. Effective management of the loan pool's risk requires understanding and control of the risk profile and its culture. There must have a thorough knowledge of the pool's composition and its inherent risks. It is important to understand a pools mix, industry and geographic concentrations, average risk ratings, and other aggregate characteristics. The policies, processes, and practices implemented to control the risks of individual loans and portfolio segments must be sound. It would have

been obvious to one of ordinary skill in the art at the time of the invention to modify

Acosta to include selecting an amount of loans from the risk results to a designated loan

sample size. A target loan sample size allows the investor to control the number of

loans in the pool but also allows for a control of the risk. The greater the number of high

risk investments involved in the pool the more risk the investor will have. Though the

combination of Acosta and Libman teaches the concept of a maximum target loan size

the art does not specifically state maximum target loan size. However, the Federal

Reserve teaches the concept of a "maximum target loan size" (pg. 1-9). Acosta and

Libman teach the evaluation and servicing of loans. Federal Reserve teaches the

servicing of loans and loan originators. It would have been obvious to one of ordinary

skill in the art at the time of the invention to modify Acosta and Libman to include the

details of maximizing the number of loans in a loan pool. Maximizing loans in a loan

pool allows for a broader type of loans carried throughout the pool to minimize risk as

well as diversify the pool.

55.   Regarding claim 67, Acosta teaches a current loan sample size and a target loan

sample size (col. 9, line 11-25).

56.   Claims 68-69 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

57.   Regarding claim 68, Acosta teaches loan sampling, while Business Wire teaches
the loan sampling of high risk loans. The combination of Acosta and Business Wire
does not specifically teach the act of underwriting the loan. However, Tealdi teaches an
automated underwriting tool to aggregate the loans based on one or more underwriting
categories (¶ 125-138). The combination of Acosta and Business Wire teach a risk loan
sampling tool. Tealdi teaches an automatic system for handling loans. It would have
been obvious to one of ordinary skill in the art at the time of the invention to modify
Acosta to include the details of underwriting a loan into different categories into the
system of Acosta. As in Tealdi it is within the capabilities of one of ordinary skill in the
art to add steps involved in loan processing to an invention which includes loan
sampling. The technique of underwriting a loan was old and well known at the time of
the invention.

58.   Regarding claim 69, Acosta teaches loan sampling, while Business Wire teaches
the loan sampling of high risk loans. The combination of Acosta and Business Wire
does not specifically teach the act of underwriting the loan a into the categories of
reject, prime and sub-prime. However, Tealdi teaches wherein the underwriting
categories include reject, prime, and sub-prime categories (¶ 125-138). The
combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi
teaches an automatic system for handling loans. It would have been obvious to one of
ordinary skill in the art at the time of the invention to modify Acosta to include the details

of underwriting a loan into different categories into the system of Acosta. As in Tealdi it

is within the capabilities of one of ordinary skill in the art to add steps involved in loan

processing to an invention which includes loan sampling. The technique of underwriting

a loan including reject, prime, and sub-prime was well known in the art at the time of the

invention.

59.   Claims 70-71 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

60.   Regarding claim 70, Acosta teaches wherein the loan aggregation tool includes

an adverse selection query tool to aggregate the loans based on one or more loan

parameters associated with a profile of the loan pool (col. 3, line 35-60). Acosta does

not specifically teach wherein the sampling specifically involves loan risk. However,

Business Wire teaches loan sampling in association with risk (pg. 1-2). Acosta teaches

loan sampling based on various criteria while Business Wire teaches loan sampling

specifically by the risk status of the loan. It would have been obvious to one of ordinary

skill in the art at the time of the invention to modify Acosta to include the details of

analyzing based on risk. Analyzing loans based on risk provides the ability to measure,

and thereby improve, loan quality, while significantly reducing the operational costs of

compliance. Improved loan quality attracts more and better borrowers, while insuring a

portfolio premium with investors and agencies. Risk is also a well known characteristic
of a loan.

61.   Regarding claim 71, Acosta teaches wherein the loan parameters include one or
more numeric field values associated with the loans (col. 1, line 63 – col. 3, line 16).
Acosta does not specifically teach wherein the sampling specifically involves loan risk.
However, Business Wire teaches loan sampling in association with risk (pg. 1-2).
Acosta teaches loan sampling based on various criteria while Business Wire teaches
loan sampling specifically by the risk status of the loan. It would have been obvious to
one of ordinary skill in the art at the time of the invention to modify Acosta to include the
details of analyzing based on risk. Analyzing loans based on risk provides the ability to
measure, and thereby improve, loan quality, while significantly reducing the operational
costs of compliance. Improved loan quality attracts more and better borrowers, while
insuring a portfolio premium with investors and agencies. Risk is also a well known
characteristic of a loan.

62.   Claims 72 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta
et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of
Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of
Tealdi (US 20010029482 A1).

63.   Regarding claim 72, Acosta teaches loan sampling, while Business Wire teaches
the loan sampling of high risk loans. The combination of Acosta and Business Wire
does not specifically teach all the specific numeric fields as claimed. However, Tealdi
teaches wherein the numeric field values include current balance, loan-to-value,
combined loan-to-value, debt-to-income ratio, and delinquent (¶ 116, 128, 146, 169).
The combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi
teaches an automatic system for handling loans. It would have been obvious to one of
ordinary skill in the art at the time of the invention to modify Acosta to include the details
of the specific numeric field values. As in Tealdi it is within the capabilities of one of
ordinary skill in the art to add steps involved in loan processing to an invention which
includes loan sampling. The various values were well known in the art to be associated
with loans. Acosta does not specifically teach analyzing by the number of days
delinquent. However, Libman teaches including the number of days delinquent (see at
least ¶ 44-49). Acosta teaches servicing of loan portfolios and loan servicing portfolios.
Libman teaches evaluating loans, and more particularly, to a system and method for
providing a mortgage loan pricing model for various lending scenarios. It would have
been obvious to one of ordinary skill in the art at the time of the invention to modify
Acosta to include the details of associating days delinquent on paying a loan with risk.
There is often a direct correlation between late payments and the risk associated with a
specific loan. A loan defaults when the person who has the loan is unable to pay the
loan. Thus if someone is delinquent in payment depending on the number of days late

there is a greater chance as the payment is later and later of there eventually being a

default on the account.

64.   Claims 73-75 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

65.   Regarding claim 73, Acosta teaches wherein loan parameters include one or

more text field values associated with loans (col. 3, line 35 – col. 5, line 58).

66.   Regarding claim 74, Acosta teaches wherein the text field values include

property type, documentation type, origination channel, and product type (col. 3, lines

35-60).

67.   Regarding claim 75, Acosta teaches sampling for a loan. Acosta does not

specifically teach wherein the sampling specifically involves loan risk. Acosta does

teach reporting loans, but does not teach the specific criteria of a high risk loan.

However, Business Wire teaches wherein the loan aggregation tool includes a high risk

reporting tool to aggregate the loans based on one or more high risk report categories

(pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire

teaches loan sampling specifically by the risk status of the loan. It would have been

obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to

include the details of analyzing based on risk. Analyzing loans based on risk provides

the ability to measure, and thereby improve, loan quality, while significantly reducing the

operational costs of compliance. Improved loan quality attracts more and better

borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a

well known characteristic of a loan.

68.   Claims 76 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Avery (1996) in view of Jewell (1999) in further view of Cole (2002/0133371).

69.   Regarding claim 76, the combination of Acosta and Business Wire teaches loan

sampling involving risk. Acosta and Business Wire don't specifically teach all the

specific high risk report categories. However, Avery teaches wherein the high risk report

categories include high risk locations, portfolio concentrations, borrower concentrations,

and zip code concentrations. Acosta teaches loan sampling based on various criteria

while Business Wire teaches loan sampling specifically by the risk status of the loan. It

would have been obvious to one of ordinary skill in the art at the time of the invention to

modify Acosta to include the details of analyzing based on risk report categories.

Analyzing loans based on risk provides the ability to measure, and thereby improve,

loan quality, while significantly reducing the operational costs of compliance. Improved

loan quality attracts more and better borrowers, while insuring a portfolio premium with

investors and agencies. Risk is also a well known characteristic of a loan. The more

categories analyzed the more information received on the loan and the better

assessment that is made. Acosta does not specifically teach a high risk category being

fraud results. However, Jewell teaches wherein fraud results are a high risk category. It

would have been obvious at the time of the invention to modify Acosta with high risk

categories including fraud results. When an individual commits fraud the individual has

the intention of cheating a company or person out of money. As a business it is not wise

to fall for any fraudulent attempts as it is a loss of profits. The more information received

about a possible fraud attempt the better. Thus it is important to check fraud results

when doing any type of high risk report in relation to any type of financial banking,

including loans. This is further evidenced by Cole with teaches a method of detecting

fraud in relation to mortgage or loan applications.

70.   Claim 77 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001) in further view of

Tealdi (US 20010029482 A1).

71.   Regarding claim 77, Acosta teaches loan sampling, while Business Wire teaches

the loan sampling of high risk loans. The combination of Acosta and Business Wire

does not specifically teach all the specific numeric fields as claimed. However, Tealdi

teaches wherein the risk results include automated underwriting results, adverse

selection query results, and high risk profile results (¶ 64, 187-188, abstract). The

combination of Acosta and Business Wire teach a risk loan sampling tool. Tealdi

teaches an automatic system for handling loans. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of the specific risk results. As in Tealdi it is within the capabilities of one of ordinary skill

in the art to add steps involved in loan processing to an invention which includes loan

sampling. The various risk results were well known in the art at the time of the invention

to be associated with loans.

72.   Claims 78-80 are rejected under 35 U.S.C. 103(a) as being unpatentable over

Acosta et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Federal Reserve (2001).

73.   Regarding claim 78, Acosta teaches wherein the sampling tool includes a loan

selection tool to select an amount of loans from each result to fill the target loan sample

size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9 line 11 - 25). Acosta

does not specifically teach wherein the sampling specifically involves high risk loans.

However, Business Wire teaches wherein the selection tool detects high risk loans

including different risk results (pg. 1-2). Acosta teaches loan sampling based on various

criteria while Business Wire teaches loan sampling specifically by the risk status of the

loan. It would have been obvious to one of ordinary skill in the art at the time of the

invention to modify Acosta to include the details of analyzing based on risk. Analyzing

loans based on risk provides the ability to measure, and thereby improve, loan quality,
while significantly reducing the operational costs of compliance. Improved loan quality
attracts more and better borrowers, while insuring a portfolio premium with investors
and agencies. Risk is also a well known characteristic of a loan.

74.   Regarding claim 79-80, Acosta teaches loan sampling based on criteria. Acosta
does not specifically teach random sampling. However, Business Wire teaches wherein
the loan selection tool randomly selects the loans to fill the target loan sample size (pg.
1-2). Acosta teaches loan sampling based on various criteria while Business Wire
teaches loan sampling specifically by the risk status of the loan. It would have been
obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to
include the details of random sampling. Random sampling's benefits lie in simple
probability given a large enough sample, a random selection should produce a
representative cross-section of the thing being sampled. It is important for the purposes
of analyzing the most data representative data possible.

75.   Claim 81 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta
et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of
Libman (US 2007/0043654), in further view of Olin (US 7184981 B2), in further view of
Federal Reserve (2001).

76.   Regarding claim 81, Acosta teaches a loan pool module to store loan-level data

associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1,

line 63 – col. 3, line 16). Acosta teaches a loan pool module to store loan-level data

associated with each of one or more loans in a loan pool (col. 3, line 35-60 and col. 1,

line 63 – col. 3, line 16). Acosta teaches a sample selection module to detect samples

of different criteria in the loan pool, the sample selection module including a loan

aggregation tool to aggregate the loans into a plurality of specific criteria results based

on the loan-level data, and a sampling tool to select an amount of the loans from the

plurality of results of a specific criteria up to a designated target loan sample size (col. 3,

line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25). Acosta does not

specifically teach wherein the sampling specifically involves high risk loans. However,

Business Wire teaches wherein the selection tool detects high risk loans including

different risk results (pg. 1-2). Acosta teaches loan sampling based on various criteria

while Business Wire teaches loan sampling specifically by the risk status of the loan. It

would have been obvious to one of ordinary skill in the art at the time of the invention to

modify Acosta to include the details of analyzing based on risk. Analyzing loans based

on risk provides the ability to measure, and thereby improve, loan quality, while

significantly reducing the operational costs of compliance. Improved loan quality attracts

more and better borrowers, while insuring a portfolio premium with investors and

agencies. Risk is also a well known characteristic of a loan. Acosta does not specifically

teach aggregating a plurality of loans in a loan pool into a plurality of risk results or

selecting an amount of a plurality of loans from each of a plurality of risk results to make

a sample size. However, Libman teaches aggregating a plurality of loans in the loan

pool into a plurality of risk results based on the loan-level data (¶ 37-46, 57). Libman

also teaches selecting an amount of the plurality of loans from each of the plurality of

risk results up to a designated target loan sample size (¶ 37-46, 57). Acosta teaches

servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating

loans, and more particularly, to a system and method for providing a mortgage loan

pricing model for various lending scenarios. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of analyzing based on risk. Analyzing loans based on risk provides the ability to

measure, and thereby improve, loan quality, while significantly reducing the operational

costs of compliance. Improved loan quality attracts more and better borrowers, while

insuring a portfolio premium with investors and agencies. Risk is also a well known

characteristic of a loan. It would have been obvious to one of ordinary skill in the art at

the time of the invention to modify Acosta to include the details of aggregating loans into

a loan pool based on risk. Effective management of the loan pool's risk requires

understanding and control of the risk profile and its culture. There must have a thorough

knowledge of the pool's composition and its inherent risks. It is important to understand

a pools mix, industry and geographic concentrations, average risk ratings, and other

aggregate characteristics. The policies, processes, and practices implemented to

control the risks of individual loans and portfolio segments must be sound. It would have

been obvious to one of ordinary skill in the art at the time of the invention to modify

Acosta to include selecting an amount of loans from the risk results to a designated loan

sample size. A target loan sample size allows the investor to control the number of

loans in the pool but also allows for a control of the risk. The greater the number of high

risk investments involved in the pool the more risk the investor will have. The

combination of Acosta, Business Wire, and Libman does not specifically go into the

details of selecting based on underwriting categories, loan parameters associated with a

risk profile of the loan pool, and one or more high risk report categories. However, Olin

teaches a first tool to aggregate a plurality of loans in a loan pool into a plurality of risk

results based on the loan-level data, one or more underwriting categories, one or more

loan parameters associated with a risk profile of the loan pool, and one or more high

risk report categories (see at least col. 4, line 66 – col. 5, line 19). This known technique

is applicable to the system of Acosta as they both share characteristics, namely, they

are both directed to analyzing various loans in loan pools. One of ordinary skill in the art

would have recognized that applying the known technique of Olin would have yielded

predictable results and resulted in an improved system. It would have been recognized

that applying the technique of Olin to the teachings of Acosta would have yielded

predictable results because the level of ordinary skill in the art demonstrated by the

references applied shows the ability to incorporate such loan pooling risk analysis into

similar systems. Further, applying an aggregate feature based on varies categories, risk

profiles, and high risk report categories would have been recognized by those of

ordinary skill in the art as resulting in an improved system that would allow a better

understanding and selection criteria for the individual who is creating the pool. The more

information available for the loans as well as risk profile information for the pools leads

to a better selection of loans for the pools as well as a better understanding of possible

risk for the investor. Though the combination of Acosta and Libman teaches the concept

of a maximum target loan size the art does not specifically state maximum target loan

size. However, the Federal Reserve teaches the concept of a "maximum target loan

size" (pg. 1-9). Acosta and Libman teach the evaluation and servicing of loans. Federal

Reserve teaches the servicing of loans and loan originators. It would have been obvious

to one of ordinary skill in the art at the time of the invention to modify Acosta and

Libman to include the details of maximizing the number of loans in a loan pool.

Maximizing loans in a loan pool allows for a broader type of loans carried throughout the

pool to minimize risk as well as diversify the pool.

77.   Claims 82 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654) in further view of Olin (US 7184981 B2), in further view of

Federal Reserve (2001).

78.   Regarding claim 82, Acosta teaches designating a target loan sample size (col.

3, line 35-60 and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a

loan pool into a plurality of results based on loan-level data associated with each of one

or more loans in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col.

9, lines 11-25). Acosta teaches selecting an amount of loans from the plurality of results

up to the designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col.

3, line 16, col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach

wherein the sampling specifically involves high risk loans. However, Business Wire

teaches wherein the selection tool detects high risk loans including different risk results

(pg. 1-2). Acosta teaches loan sampling based on various criteria while Business Wire

teaches loan sampling specifically by the risk status of the loan. It would have been

obvious to one of ordinary skill in the art at the time of the invention to modify Acosta to

include the details of analyzing based on risk. Analyzing loans based on risk provides

the ability to measure, and thereby improve, loan quality, while significantly reducing the

operational costs of compliance. Improved loan quality attracts more and better

borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a

well known characteristic of a loan. Acosta does not specifically teach aggregating a

plurality of loans in a loan pool into a plurality of risk results or selecting an amount of a

plurality of loans from each of a plurality of risk results to make a sample size. However,

Libman teaches aggregating loans in a loan pool into a plurality of risk results based on

the loan-level data associated with each of one or more loans in the loan pool (¶ 37-46,

57). Libman also teaches selecting an amount of the plurality of loans from each of the

plurality of risk results up to a designated target loan sample size (¶ 37-46, 57). Acosta

teaches servicing of loan portfolios and loan servicing portfolios. Libman teaches

evaluating loans, and more particularly, to a system and method for providing a

mortgage loan pricing model for various lending scenarios. It would have been obvious

to one of ordinary skill in the art at the time of the invention to modify Acosta to include

the details of analyzing based on risk. Analyzing loans based on risk provides the ability

to measure, and thereby improve, loan quality, while significantly reducing the

operational costs of compliance. Improved loan quality attracts more and better

borrowers, while insuring a portfolio premium with investors and agencies. Risk is also a

well known characteristic of a loan. It would have been obvious to one of ordinary skill in

the art at the time of the invention to modify Acosta to include the details of aggregating

loans into a loan pool based on risk. Effective management of the loan pool's risk

requires understanding and control of the risk profile and its culture. There must have a

thorough knowledge of the pool's composition and its inherent risks. It is important to

understand a pools mix, industry and geographic concentrations, average risk ratings,

and other aggregate characteristics. The policies, processes, and practices

implemented to control the risks of individual loans and portfolio segments must be

sound. It would have been obvious to one of ordinary skill in the art at the time of the

invention to modify Acosta to include selecting an amount of loans from the risk results

to a designated loan sample size. A target loan sample size allows the investor to

control the number of loans in the pool but also allows for a control of the risk. The

greater the number of high risk investments involved in the pool the more risk the

investor will have. The combination of Acosta, Business Wire, and Libman does not

specifically go into the details of selecting based on underwriting categories, loan

parameters associated with a risk profile of the loan pool, and one or more high risk

report categories. However, Olin teaches a first tool to aggregate a plurality of loans in a

loan pool into a plurality of risk results based on the loan-level data, one or more

underwriting categories, one or more loan parameters associated with a risk profile of

the loan pool, and one or more high risk report categories (see at least col. 4, line 66 –

col. 5, line 19). This known technique is applicable to the system of Acosta as they both

share characteristics, namely, they are both directed to analyzing various loans in loan

pools. One of ordinary skill in the art would have recognized that applying the known

technique of Olin would have yielded predictable results and resulted in an improved

system. It would have been recognized that applying the technique of Olin to the

teachings of Acosta would have yielded predictable results because the level of ordinary

skill in the art demonstrated by the references applied shows the ability to incorporate

such loan pooling risk analysis into similar systems. Further, applying an aggregate

feature based on varies categories, risk profiles, and high risk report categories would

have been recognized by those of ordinary skill in the art as resulting in an improved

system that would allow a better understanding and selection criteria for the individual

who is creating the pool. The more information available for the loans as well as risk

profile information for the pools leads to a better selection of loans for the pools as well

as a better understanding of possible risk for the investor. Though the combination of

Acosta and Libman teaches the concept of a maximum target loan size the art does not

specifically state maximum target loan size. However, the Federal Reserve teaches the

concept of a "maximum target loan size" (pg. 1-9). Acosta and Libman teach the

evaluation and servicing of loans. Federal Reserve teaches the servicing of loans and

loan originators. It would have been obvious to one of ordinary skill in the art at the time

of the invention to modify Acosta and Libman to include the details of maximizing the

number of loans in a loan pool. Maximizing loans in a loan pool allows for a broader

type of loans carried throughout the pool to minimize risk as well as diversify the pool.

79.   Claim 83 is rejected under 35 U.S.C. 103(a) as being unpatentable over Acosta

et al (US 6643625 B1) in view of Business Wire (May 27, 1999) in further view of

Libman (US 2007/0043654), in further view of Olin (US 7184981 B2), in further view of

Federal Reserve (2001).

80.   Regarding claim 83, Acosta teaches a computer with a storage medium with

instructions. Acosta teaches designating a target loan sample size (col. 3, line 35-60

and col. 1, line 63 – col. 3, line 16). Acosta teaches aggregating loans in a loan pool into

a plurality of results based on loan-level data associated with each of one or more loans

in the loan pool (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16, col. 9, lines 11-25).

Acosta teaches selecting an amount of loans from the plurality of results up to the

designated target loan sample size (col. 3, line 35-60 and col. 1, line 63 – col. 3, line 16,

col. 9, lines 11-25, col. 9, lines 11-25). Acosta does not specifically teach wherein the

sampling specifically involves high risk loans. However, Business Wire teaches wherein

the selection tool detects high risk loans including different risk results (pg. 1-2). Acosta

teaches loan sampling based on various criteria while Business Wire teaches loan

sampling specifically by the risk status of the loan. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of analyzing based on risk. Analyzing loans based on risk provides the ability to

measure, and thereby improve, loan quality, while significantly reducing the operational

costs of compliance. Improved loan quality attracts more and better borrowers, while

insuring a portfolio premium with investors and agencies. Risk is also a well known

characteristic of a loan. Acosta does not specifically teach aggregating a plurality of

loans in a loan pool into a plurality of risk results or selecting an amount of a plurality of

loans from each of a plurality of risk results to make a sample size. However, Libman

teaches aggregating loans in a loan pool into a plurality of risk results based on loan-

level data associated with each of one or more loans in the loan pool (¶ 37-46, 57).

Libman also teaches selecting an amount of loans from each of the plurality of risk

results up to a designated target loan sample size (¶ 37-46, 57). Acosta teaches

servicing of loan portfolios and loan servicing portfolios. Libman teaches evaluating

loans, and more particularly, to a system and method for providing a mortgage loan

pricing model for various lending scenarios. It would have been obvious to one of

ordinary skill in the art at the time of the invention to modify Acosta to include the details

of analyzing based on risk. Analyzing loans based on risk provides the ability to

measure, and thereby improve, loan quality, while significantly reducing the operational

costs of compliance. Improved loan quality attracts more and better borrowers, while

insuring a portfolio premium with investors and agencies. Risk is also a well known

characteristic of a loan. It would have been obvious to one of ordinary skill in the art at

the time of the invention to modify Acosta to include the details of aggregating loans into

a loan pool based on risk. Effective management of the loan pool's risk requires

understanding and control of the risk profile and its culture. There must have a thorough

knowledge of the pool's composition and its inherent risks. It is important to understand

a pools mix, industry and geographic concentrations, average risk ratings, and other

aggregate characteristics. The policies, processes, and practices implemented to

control the risks of individual loans and portfolio segments must be sound. It would have

been obvious to one of ordinary skill in the art at the time of the invention to modify

Acosta to include selecting an amount of loans from the risk results to a designated loan

sample size. A target loan sample size allows the investor to control the number of

loans in the pool but also allows for a control of the risk. The greater the number of high

risk investments involved in the pool the more risk the investor will have. The

combination of Acosta, Business Wire, and Libman does not specifically go into the

details of selecting based on underwriting categories, loan parameters associated with a

risk profile of the loan pool, and one or more high risk report categories. However, Olin

teaches a first tool to aggregate a plurality of loans in a loan pool into a plurality of risk

results based on the loan-level data, one or more underwriting categories, one or more

loan parameters associated with a risk profile of the loan pool, and one or more high

risk report categories (see at least col. 4, line 66 – col. 5, line 19). This known technique

is applicable to the system of Acosta as they both share characteristics, namely, they

are both directed to analyzing various loans in loan pools. One of ordinary skill in the art

would have recognized that applying the known technique of Olin would have yielded

predictable results and resulted in an improved system. It would have been recognized

that applying the technique of Olin to the teachings of Acosta would have yielded

predictable results because the level of ordinary skill in the art demonstrated by the

references applied shows the ability to incorporate such loan pooling risk analysis into similar systems. Further, applying an aggregate feature based on varies categories, risk profiles, and high risk report categories would have been recognized by those of ordinary skill in the art as resulting in an improved system that would allow a better understanding and selection criteria for the individual who is creating the pool. The more information available for the loans as well as risk profile information for the pools leads to a better selection of loans for the pools as well as a better understanding of possible risk for the investor. Though the combination of Acosta and Libman teaches the concept of a maximum target loan size the art does not specifically state maximum target loan size. However, the Federal Reserve teaches the concept of a "maximum target loan size" (pg. 1-9). Acosta and Libman teach the evaluation and servicing of loans. Federal Reserve teaches the servicing of loans and loan originators. It would have been obvious to one of ordinary skill in the art at the time of the invention to modify Acosta and Libman to include the details of maximizing the number of loans in a loan pool. Maximizing loans in a loan pool allows for a broader type of loans carried throughout the pool to minimize risk as well as diversify the pool.

Conclusion

81.   Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to JAMIE H. SWARTZ whose telephone number is (571)272-7363. The examiner can normally be reached on 8:00am-4:30pm Monday-Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Kambiz Abdi can be reached on (571)272-6702. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the

Patent Application Information Retrieval (PAIR) system. Status information for

published applications may be obtained from either Private PAIR or Public PAIR.

Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see http://pair-direct.uspto.gov. Should

you have questions on access to the Private PAIR system, contact the Electronic

Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a

USPTO Customer Service Representative or access to the automated information

system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/J. H. S./
Examiner, Art Unit 3684

/Jennifer Liversedge/

Primary Examiner, Art Unit 3684